

By: 

S.B. No. 31

A BILL TO BE ENTITLED

AN ACT

relating to the issuance of Texas water development bonds.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Subdivision (11), Section 16.001, Water Code, is amended to read as follows:

(11) "Water development bonds" means the Texas Water Development Bonds authorized by Article III, Sections 49-c and 49-d, of the Texas Constitution and bonds dedicated to use for the purposes of those sections under Article III, Sections [Section] 49-d-2 and 49-d-6, of the Texas Constitution.

SECTION 2. Subdivisions (11) and (12), Section 17.001, Water Code, are amended to read as follows:

(11) "Water development bonds" means the Texas Water Development Bonds authorized by Article III, Sections 49-c and 49-d, of the Texas Constitution and bonds dedicated to use for the purposes of those sections and for flood control purposes under Article III, Sections [Section] 49-d-2 and 49-d-6, of the Texas Constitution.

(12) "Water quality enhancement bonds" means the Texas Water Development Bonds authorized by Article III, Section 49-d-1, of the Texas Constitution and bonds dedicated to use for the purposes of that section by Article III, Sections [Section] 49-d-2 and 49-d-6, of the Texas Constitution.

SECTION 3. Subsection (a), Section 17.011, Water Code, is amended to read as follows:

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1 (a) The board, by resolution, from time to time may provide
2 for the issuance of negotiable bonds in an aggregate amount not to
3 exceed \$400 million pursuant to Article III, Section 49-c and
4 Section 49-d, of the Texas Constitution, and the issuance of
5 additional negotiable bonds in an aggregate amount not to exceed
6 \$200 million pursuant to Article III, Section 49-d-1, of the Texas
7 Constitution, [and] not to exceed \$980 million pursuant to Article
8 III, Section 49-d-2, of the Texas Constitution, and not to exceed
9 \$400 million pursuant to Article III, Section 49-d-6, of the Texas
10 Constitution.

11 SECTION 4. Section 17.028, Water Code, is amended to read as
12 follows:

13 Sec. 17.028. PAYMENT ENFORCEABLE BY MANDAMUS. Payment of
14 the bonds and performance of official duties prescribed by Article
15 III, Sections 49-c, 49-d, 49-d-1, [and] 49-d-2, and 49-d-6, of the
16 Texas Constitution and by this subchapter may be enforced in any
17 court of competent jurisdiction by mandamus or other appropriate
18 proceeding.

19 SECTION 5. Subsections (b) and (h), Section 17.072, Water
20 Code, are amended to read as follows:

21 (b) Except as provided by Subsections (f) and (h) of this
22 section, proceeds from the sale of water development bonds,
23 together with all proceeds (excluding accrued interest which shall
24 be deposited into the interest and sinking fund) from the sale,
25 refunding, or prepayment of political subdivision bonds acquired in
26 carrying out the purposes set out in Article III, Sections 49-c,

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1 49-d, [~~and~~] 49-d-2, and 49-d-6, of the Texas Constitution, shall be
2 deposited in a special account in the development fund designated
3 "water development account," and other money for deposit therein as
4 provided in this chapter shall be credited to the water development
5 account.

6 (h) All proceeds from the sale of the \$250 [~~\$200~~] million in
7 water development bonds authorized by Article III, Sections
8 [~~Section~~] 49-d-2 and 49-d-6, of the Texas Constitution for the
9 purposes of flood control, together with all proceeds, excluding
10 accrued interest, from the sale, refunding, or prepayment of
11 political subdivision bonds acquired in carrying out the purposes
12 of the flood control program, shall be deposited in a special
13 account designated as the flood control account created in the
14 development fund. Other money designated for deposit in that
15 account by this chapter shall be deposited in the flood control
16 account. Accrued interest from the proceeds of the sale,
17 refunding, or prepayment of political subdivision bonds shall be
18 deposited in the interest and sinking fund.

19 SECTION 6. Sections 17.077, 17.271, and 17.771, Water Code,
20 are amended to read as follows:

21 Sec. 17.077. CREDITS TO CLEARANCE FUND. Except for proceeds
22 from the sale of bonds and proceeds from the sale, refunding, or
23 prepayment, of political subdivision bonds acquired in carrying out
24 the purposes in Article III, Sections 49-c, 49-d, 49-d-1, [~~and~~]
25 49-d-2, and 49-d-6, of the Texas Constitution, which shall be
26 deposited in accordance with Sections 17.072, 17.134, and 17.180 of

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1 this code, and the proceeds from the sale, refinancing, or other
2 liquidation of the investments made under Sections 17.083, 17.085,
3 and 17.086 of this code which shall be deposited in the fund that
4 provided the money for the investment, all money received by the
5 board in any fiscal year, including all amounts received as
6 repayment of loans to political subdivisions and interest on those
7 loans, shall be credited to the clearance fund. Money in the
8 clearance fund may be transferred at any time to the interest and
9 sinking fund until the reserve in that fund is equal to the average
10 annual principal and interest requirements on all outstanding
11 bonds.

12 Sec. 17.271. PURPOSE. The purpose of this subchapter is to
13 provide for making loans of water quality enhancement funds
14 authorized by Article III, Sections 49-d-1, [and] 49-d-2, and
15 49-d-6, of the Texas Constitution to political subdivisions of the
16 state for the construction of treatment works.

17 Sec. 17.771. PURPOSE. The purpose of this subchapter is to
18 provide for making loans of flood control funds authorized by
19 Article III, Sections [~~Section~~] 49-d-2 and 49-d-6, of the Texas
20 Constitution, to political subdivisions of the state for the
21 development of floodplain management plans and for structural and
22 nonstructural flood control projects.

23 SECTION 7. Subdivision (4), Section 17.272, Water Code, is
24 amended to read as follows:

25 (4) "Water quality enhancement funds" means the
26 proceeds from the sale of Texas Water Development Bonds issued

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1 under the authority of Article III, Section 49-d-1, of the Texas
2 Constitution and proceeds from the sale of bonds dedicated to water
3 quality enhancement purposes under Article III, Sections [~~Section~~]
4 49-d-2 and 49-d-6, of the Texas Constitution.

5 SECTION 8. Subdivision (1), Section 17.772, Water Code, is
6 amended to read as follows:

7 (1) "Flood control funds" means the proceeds from the
8 sale of Texas Water Development Bonds issued under the authority of
9 Article III, Sections [~~Section~~] 49-d-2 and 49-d-6, of the Texas
10 Constitution, and reserved for flood control purposes.

11 SECTION 9. REVIEW BOARD. (a) The bond review board is
12 composed of:

- 13 (1) the governor;
14 (2) the lieutenant governor;
15 (3) the speaker of the house of representatives;
16 (4) the state treasurer; and
17 (5) the comptroller of public accounts.

18 (b) The governor is chairman of the review board.

19 (c) Bonds may not be issued after the effective date of this
20 Act and proceeds of bonds issued after the effective date of this
21 Act may not be used to finance a project unless the issuance or
22 project, as applicable, has been reviewed and approved by the
23 review board.

24 (d) The review board may adopt rules governing application
25 for review, the review process, and reporting requirements.

26 (e) A member of the review board may not be held liable for

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1 damages resulting from the performance of the members' functions
2 under this Act.

3 SECTION 10. This Act takes effect when and only if the
4 constitutional amendment proposed by S.J.R. No. 54, 70th
5 Legislature, Regular Session, 1987, is adopted.

6 SECTION 11. The importance of this legislation and the
7 crowded condition of the calendars in both houses create an
8 emergency and an imperative public necessity that the
9 constitutional rule requiring bills to be read on three several
10 days in each house be suspended, and this rule is hereby suspended.

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By Murphy

AN ACT relating to the issuance of Texas water development bonds.

6-29-87 Filed with the Secretary of the Senate

JUN 30 1987 Read and referred to Committee on NATURAL RESOURCES

Reported favorably _____

Reported adversely, with favorable Committee Substitute; Committee Substitute read first time.

Ordered not printed

Laid before the Senate

Senate and Constitutional Rules to permit consideration suspended by: { unanimous consent
_____ yeas, _____ nays

Read second time, _____, and ordered engrossed by: { unanimous consent
a viva voce vote
_____ yeas, _____ nays

Caption ordered amended to conform to the body of the bill.

Senate and Constitutional 3 Day Rule suspended by a vote of _____ yeas, _____ nays.

Read third time, _____, and passed by _____ yeas, _____ nays.

SECRETARY OF THE SENATE

OTHER ACTION:

Engrossed

Sent to House

Engrossing Clerk

Received from the Senate

Read first time and referred to Committee on _____

Reported favorably amended, sent to Printer at _____

Printed and Distributed _____

Sent to Committee on Calendars _____

Read Second time (amended): passed to third reading (failed)

by (Non-Record Vote) Record Vote of _____ yeas, _____ nays _____ present not voting.

Constitutional Rule requiring bills to be read on three several days suspended (failed to suspend) by a four-fifths vote of _____ yeas, _____ nays _____ present not voting.

Read third time (amended); finally passed (failed) by a (Non-Record Vote) Record Vote of _____ yeas, _____ nays _____ present not voting.

Caption ordered amended to conform to body of bill.

Returned to Senate.

CHIEF CLERK OF THE HOUSE

Returned from House without amendment.

Returned from House with _____ amendments.

Concurred in House amendments by a viva voce vote _____ yeas, _____ nays.